[Mr. R. Nilakanta Pillai.]

His Highness the Maharaja's tours outside the State (1·13) and Buildings, Communications and Miscellaneous Public Improvements including Protective Irrigation (3·73). The increase under Interest is due partly to the payment of interest charges on the growing Savings Bank Deposits and partly to the expenditure amounting to Rs 2·90 lakhs incurred in connection with the conversion of the old 3½ per cent. Government of India non-terminable securities to 4 per cent. 1960 70 terminable securities. The additional expenditure of Rs 2·90 lakhs is however counter-balanced by a corresponding receipt of Rs 2·88 lakhs under IX Interest Conversion and sale of Government of India Securities. Under Palace, the excess is due to the expenditure on account of the annual payment of Rs 75,000 to Her Highness the Senior Maharani from the date of termination of the Regency. The increase under Panivagai is on account of the additional grants sanctioned for extensions and improvements to the Kowdiyar Palace. The increase under Buildings, Communications and Miscellaneous Public Improvements including Protective Irrigation is due to the fact that, as already explained, a sum of Rs 2·57 lakhs has been charged to this head and shown as receipts under the Road Development Fund. It is also due to the provision of additional funds for urgent works in the current year.

5. Turning to the Capital section, sale proceeds of Government lands are expected to bring in only Rs 1 lakh against Rs 2 lakhs anticipated in the budget and the capital expenditure stands revised at Rs 11·31 lakhs. In the result, a net outgoing of Rs 9·14 lakhs is expected at the close of the year as against the budget estimate of Rs 15·78 lakhs. The Government balance at the close of the year is thus expected to stand at Rs 113·70 lakhs.

## BUDGET ESTIMATES FOR 1109.

6. I shall now proceed to deal with the budget estimates for the next year. Our revenue is expected to stand at Rs 230·04 lakhs and the expenditure proposed therefrom is Rs 229·25 lakhs leaving a nominal surplus of Rs ·79 of a lakh. The capital receipts next year are expected to amount to Rs 1 lakh and the proposed programme of capital expenditure is estimated at Rs 19·37 lakhs. In the result we shall be drawing from our accumulated surplus of previous years Rs 17·58 lakhs for our capital undertakings.

### REVENUE.

7. The budgeted revenue for the next year is Rs 230·04 lakhs as against the current year's anticipated revenue of Rs 232·88 lakhs so that our forecast for the ensuing year is Rs 2·84 lakhs less. This decrease is only apparent. While dealing with the revised estimates for the current year, I had referred to the special receipt under interest amounting to Rs 2·88 lakhs on account of premium realised by the conversion and sale of some of our existing

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